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FISCAL IMPACT STATEMENT

LS 6748

BILL NUMBER: SB 236

NOTE PREPARED: Dec 30, 2010

BILL AMENDED:

SUBJECT: Septic tanks and sewer systems.

FIRST AUTHOR: Sen. Kruse

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill provides that the Indiana Department of Environmental Management (IDEM) may not require a county to join or form a regional sewage district to provide sewer service to an unincorporated area of the county unless IDEM determines that the population density of the unincorporated area exceeds the minimum population density at which property owners in an unincorporated area of the county may be required to discontinue use of private disposal systems.

The bill requires the legislative body of a county that contains unincorporated areas to adopt an ordinance establishing the minimum population density at which property owners in an unincorporated area of the county may be required to discontinue use of private sewage disposal systems. A regional sewage district may not require a property owner to connect to a sewer system if the property is (1) located in an unincorporated area; and (2) served by a private sewage disposal system that is functioning satisfactorily.

The bill requires a health officer to obtain probable cause before ordering the abatement of unlawful conditions that transmit, generate, or promote disease. The bill specifies certain appurtenances to which a county ordinance imposing building standards on buildings, structures, and appurtenances does not apply.

Effective Date: July 1, 2011.

Explanation of State Expenditures: The provision could have an impact on IDEM expenses associated with determining population density for unincorporated areas and whether the density exceeds the minimum population density at which property owners in an unincorporated area of the county may be required to discontinue septic system use. The specific impact will depend on the number and nature of future requests to establish districts.

Explanation of State Revenues:

Explanation of Local Expenditures: The bill requires the legislative body of a county that contains unincorporated areas to adopt an ordinance establishing the minimum population density at which property owners in an unincorporated area of the county may be required to discontinue septic system use. This provision should have minimal impact.

The bill requires a health officer to obtain probable cause before ordering the abatement of unlawful conditions that transmit, generate, or promote disease. It specifies certain appurtenances to which a county ordinance imposing building standards on buildings, structures, and appurtenances does not apply. These provisions could increase local expenses. The impact will depend on local action and existing ordinances. The impact will vary from unit to unit.

Explanation of Local Revenues: A regional sewage district may not require a property owner to connect to a sewer system if the property is (1) located in an unincorporated area; and (2) served by a septic system that is, as determined by the local health department, functioning satisfactorily. This provision may result in a reduction in revenues received by certain local districts. The specific impact is indeterminable.

State Agencies Affected: IDEM's Office of Water Quality.

Local Agencies Affected: Regional sewer districts and county health departments.

Information Sources: IDEM, 232-8283; <http://www.irsda.org>.

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